

April 24, 2007

Testimony of Rich Robinson, Michigan Campaign Finance Network, to the House Ethics
and Elections Committee on House Bill 4628

Chairman Corriveau and Distinguished Committee Members:

Thank you for taking up the important issues addressed in House Bill 4628. I would like to offer constructive criticism of the treatment of several of those issues.

On the matter of the definition of a contribution: As I read it, HB 4628 eliminates contributions to various political committees in an amount less than \$50 from the definition of a contribution. Not being an attorney, I risk getting out of my depth, but I would feel more at ease with this section of the bill if cumulated contributions from an individual in an amount less than \$50 are considered *unitemized* contributions for the purposes of campaign finance reporting. Under federal campaign finance law, contributions less than \$200 are considered unitemized contributions.

On the matter of timeliness of report filing: The schedule set forth in HB 4628 would be a considerable improvement over the current schedule in *non*-election years, when we currently see only one annual report for committees other than political action committees. However, I believe the proposed schedule would be a mixed blessing in election years. I believe that a better approach would be to leave the schedule for party committees and candidates' pre- and post-election reports as they are with one exception: Add a first quarter report, where books would close on March 31st and reports would be due on April 15th. Adding a fourth report each year for PACs would be a healthy development, although I would suggest closing dates of March 31st, July 20th, October 20th and December 31st. One week after closing books should be adequate time to file reports, with the possible exception of the year-end report.

I would like to suggest that this legislation address the issue of independent expenditures made after the spending committee's final pre-election report. Currently the Campaign Finance Act requires such independent expenditures to be reported within 48 hours if they are meant to affect a *special* election, but not until the next scheduled report if they are made to affect a normally scheduled election. Federal campaign finance law requires all such independent expenditures to be reported within 24 hours and I would submit that such expenditures should be reported within 48 hours when they are made to affect any state election.

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In the matter of One-stop Filing: I wish to encourage you to consider a more ambitious vision of one-stop filing than that proposed by HB 4628. I believe there is a great opportunity to increase transparency in local and county campaigns by moving to electronic filing for local and county candidates who raise or spend more than \$20,000, either by licensing the MERTS system to the counties at no cost, or by making the Department of State the electronic records repository for all candidate committees that exceed the electronic-filing threshold.

In the matter of independent enforcement: I encourage you to consider the approach that has been adopted this year in Wisconsin. There, a nonpartisan Government Accountability Board comprising six former state judges appoints an administrator to enforce campaign finance, ethics and lobbying laws. Because the director of elections is an at-will employee serving at the pleasure of the secretary of state, I question whether delegating the enforcement function to that office will accomplish the independence and impartiality that HB 4628 seeks.

Thank you for considering my comments.